MONTANA LEGISLATIVE HISTORY

Chapter 249 19 91

Bill H 422 S _____ Original bill & history ___C

H. Committee on Taxation		S. Committee on Taxation	
Hearing Date(s) Feb 08	✓C	Hearing Date(s) Mar 14	✓C
_____	___C	_____	___C
_____	___C	_____	___C
_____	___C	_____	___C
Date Out Feb 08	✓C	Mar 14	✓C

Did this bill originate in an interim committee? ___Yes ___No

Committee _____ Report _____

CHAPTER NUMBER 494 EFFECTIVE DATE: 4/20/91

HB 420 INTRODUCED BY J. RICE

COMPELLED TESTIMONY IMMUNITY IN COMMISSIONER OF INSURANCE PROCEEDINGS

1/28	INTRODUCED		
1/28	REFERRED TO JUDICIARY		
1/29	FIRST READING		
2/14	HEARING		
2/14	COMMITTEE REPORT—BILL PASSED		
2/16	2ND READING PASSED	94	0
2/19	3RD READING PASSED	100	0
	TRANSMITTED TO SENATE		
2/20	FIRST READING		
2/20	REFERRED TO JUDICIARY		
3/14	HEARING		
3/14	COMMITTEE REPORT—BILL CONCURRED		
3/16	2ND READING CONCURRED	49	0
3/18	3RD READING CONCURRED	49	0
	RETURNED TO HOUSE		
3/23	SIGNED BY SPEAKER		
3/25	SIGNED BY PRESIDENT		
3/25	TRANSMITTED TO GOVERNOR		
3/29	SIGNED BY GOVERNOR		
	CHAPTER NUMBER 246	EFFECTIVE DATE: 10/01/91	

HB 421 INTRODUCED BY HOFFMAN

CLARIFY CERTIFICATION AND TRAINING OF LIMITED JURISDICTION JUDGES

1/28	INTRODUCED		
1/28	REFERRED TO JUDICIARY		
1/29	FIRST READING		
2/13	HEARING		
2/25	COMMITTEE REPORT—BILL PASSED		
2/26	2ND READING PASSED	98	0
2/27	3RD READING PASSED	100	0
	TRANSMITTED TO SENATE		
2/27	REFERRED TO JUDICIARY		
3/04	FIRST READING		
3/19	HEARING		
3/19	COMMITTEE REPORT—BILL CONCURRED		
3/20	2ND READING CONCURRED	48	0
3/21	3RD READING CONCURRED	49	0
	RETURNED TO HOUSE		
3/27	SIGNED BY PRESIDENT		
3/27	SIGNED BY SPEAKER		
3/28	TRANSMITTED TO GOVERNOR		
4/02	SIGNED BY GOVERNOR		
	CHAPTER NUMBER 317	EFFECTIVE DATE: 4/02/91	

HB 422 INTRODUCED BY HOFFMAN

AUTHORIZE STATE TAX APPEAL BOARD TO USE HEARINGS OFFICERS

BY REQUEST OF DEPARTMENT OF ADMININSTRATION AND STATE TAX APPEAL BOARD

1/28	INTRODUCED
1/28	REFERRED TO TAXATION
1/29	FIRST READING
1/29	FISCAL NOTE REQUESTED
2/04	FISCAL NOTE RECEIVED
2/04	FISCAL NOTE PRINTED

2/08	HEARING		
2/08	COMMITTEE REPORT—BILL PASSED		
2/11	2ND READING PASSED	99	0
2/13	3RD READING PASSED	99	0
	TRANSMITTED TO SENATE		
2/14	FIRST READING		
2/14	REFERRED TO TAXATION		
3/14	HEARING	400	0
3/14	COMMITTEE REPORT—BILL CONCURRED		
3/16	2ND READING CONCURRED	49	0
3/18	3RD READING CONCURRED	48	1
	RETURNED TO HOUSE		
3/22	SIGNED BY SPEAKER		
3/23	SIGNED BY PRESIDENT		
3/25	TRANSMITTED TO GOVERNOR		
3/29	SIGNED BY GOVERNOR		
	CHAPTER NUMBER 247	EFFECTIVE DATE: 3/29/91	

HB 423 INTRODUCED BY KADAS

PROVIDE THAT REQUIRED FEES FOR DEPOSIT IN THE MONTANA JUDGES' RETIREMENT SYSTEM PENSION TRUST FUND ARE APPROPRIATED TO THE SUPREME COURT FOR DEPOSIT IN THE FUND

1/28	INTRODUCED		
1/28	REFERRED TO APPROPRIATIONS		
1/29	FIRST READING		
3/08	HEARING		
3/08	COMMITTEE REPORT—BILL PASSED AS AMENDED		
3/11	2ND READING PASSED	99	0
3/14	3RD READING PASSED	92	3
	TRANSMITTED TO SENATE		
3/15	FIRST READING		
3/15	REFERRED TO FINANCE & CLAIMS		
3/21	HEARING		
3/21	COMMITTEE REPORT—BILL CONCURRED		
3/23	2ND READING CONCURRED	47	0
3/25	3RD READING CONCURRED	48	0
	RETURNED TO HOUSE		
4/01	SIGNED BY SPEAKER		
4/01	SIGNED BY PRESIDENT		
4/01	TRANSMITTED TO GOVERNOR		
4/04	SIGNED BY GOVERNOR		
	CHAPTER NUMBER 344	EFFECTIVE DATE: 4/04/91	

HB 424 INTRODUCED BY STICKNEY, ET AL.

TO DIRECT GENDER BALANCE ON BOARDS AND COMMITTEES IF POSSIBLE

1/28	INTRODUCED		
1/28	REFERRED TO STATE ADMINISTRATION		
1/29	FIRST READING		
2/08	HEARING		
2/11	COMMITTEE REPORT—BILL PASSED AS AMENDED		
2/13	2ND READING PASSED AS AMENDED	61	39
2/15	3RD READING PASSED	62	37
	TRANSMITTED TO SENATE		
2/16	FIRST READING		
2/16	REFERRED TO STATE ADMINISTRATION		
3/06	HEARING		
3/06	COMMITTEE REPORT—BILL CONCURRED		
3/09	2ND READING CONCUR AS AMENDED		
	MOTION FAILED	21	27

2218. 7-8-2218 states that the county or board can then sell the property for 70% of appraised value and asked **Gordon Morris** how this interacted with Subsection 5 of HB 446. **Mr. Morris** said the individual who is purchasing the property is the redemptioner. They can not purchase the property for anything less than what they actually owe on the property. This is the intent of the bill. **REP. O'KEEFE** asked how HB 446 would have affected the purchase of Placer Building in downtown Helena. **Mr. Morris** said it would not have affected the action taken by the Commissioners in reducing the values for the purposes of determining a final sale. If the final sale was given back to the original owner, the original delinquent taxpayer, they would not have been able to benefit from the reduced price for the purpose of taxes.

REP. McCARTHY said she was concerned with Section 5 because the only person who would be able to purchase the property at a lower price would be the original owner. **Mr. Morris** said he did not know if discrimination would come into it. The point is that they are not being discriminated against; but that they are being held to the requirement that they fully pay the tax delinquencies, and not benefit from the fact that they let the taxes go delinquent and come in and redeem the property at a fraction of what was actually due. **REP. McCARTHY** said she was concerned that if the property goes out to bid, anybody else could it for $2,000 - $5,000, but the person who owes the taxes can get the full value and asked if this was considered when they were working on the bill. **Mr. Morris** said that it was not. The intent is to eliminate that possibility from happening. That person shouldn't be able to take advantage of the system and save tax dollars at the expense of all other tax payers.

REP. ELLISON said the intent of HB 446 is to take this advantage from the delinquent taxpayer so he won't let his taxes go delinquent that long. He knows that it will not benefit him. The loophole he sees is allowing someone do the bidding for him. **Mr. Morris** said the bill tries to prevent this by referring to his agent. If you have an agent going to an auction, and they don't determine that this is an individual acting as an agent for a delinquent taxpayer, and you subsequently find that he is an agent, there should be a penalty in the provisions.

Closing by Sponsor:

REP. NELSON said the purpose of HB 446 is to stop an abuse that does occur and urged the committee's support.

HEARING ON HB 422

Presentation and Opening Statement by Sponsor:

REP. HOFFMAN, House District 74, Sheridan, stated HB 422 is an act authorizing the state Tax Appeal Board to use hearing officers to expedite its work. It is designed to make it easier for the tax appeal boards to do their tax appeals. Currently,

the tax appeal board is created by the Constitution and provides for three judges. All three judges must travel to the county seat of the county that the appeal is filed. HB 422 allows one of the three judges to travel to the county to hear the appeal, or allows the board to appoint a hearing officer to hear the appeal. The hearing officers would make a recording of the hearing and cannot make a decision. He must go back to the board. The board would then listen to the proceedings and make their decision on that basis.

Since the reappraisal cycle started in 1986, there has be 7,400 tax appeal that would require the boards review. This bill does not request more money. It would be discretionary on the tax appeal board to hire a hearings officers within their present budget.

Proponents' Testimony:

John McNaught, State Tax Appeal Board, stated the board's job is to hear taxpayers grievances. Our goal is to have a timely resolution of tax appeals. The taxpayer has the right to a speedy review. Our appeal load is directly impacted by any legislation relating to taxation matters. HB 422 provides a safeguard if the caseload gets to big to handle.

Opponents' Testimony: None

Questions From Committee Members:

REP. RANEY asked **REP. HOFFMAN** if HB 422 would be a benefit to the taxpayers to speed up the process of appeals. **REP. HOFFMAN** said absolutely.

REP. O'KEEFE said the bill provides for the cost of taking and transcribing testimony as well as the cost of the hearing officers pay. The fiscal note says $24,000 a year for hearing officers, but it would have no fiscal impact. He asked **John McNaught** if his budget could handle this bill or would there be a need for supplemental appropriations. **Mr. McNaught** said the board would need no money. The board tries to have all appeals done by June.

REP. STANG said there are currently three judges on the board and asked how they get paid. **Mr. McNaught** said they are full time employees. **REP. STANG** said that the bill states that each hearings officers will be compensated $90 per day plus expenses and asked if this was the board. **Mr. McNaught** said no. That is if we have to hire a hearings officer.

Closing by Sponsor:

REP. HOFFMAN made no closing statement.

this much for local levy and this much for tuition, the Regents have not quarreled with it. Kalispell is up against their limits and Dawson is getting there. The only way for them to get to 100% of their budgeted amount is to raise tuition. The $3,907 figure applies to all colleges.

Closing by Sponsor:

REP. WANZENRIED said one thing that the Legislature can do is put more funding into the community college system. This is one of the Commission of the 90's recommendations, that the state reassume the funding so that they can end up with 100% funding without driving property taxes any closer to their limitations.

EXECUTIVE ACTION ON HB 422

Motion/Vote: **REP. HOFFMAN MOVED HB 422 DO PASS.** Motion carried unanimously.

EXECUTIVE ACTION ON HB 446

Motion/Vote: **REP. McCAFFREE MOVED HB 446 DO PASS.** Motion carried unanimously.

Announcements: **CHAIR HARRINGTON** referred HB 452 and HB 444 to the Property Tax Subcommittee.

ADJOURNMENT

Adjournment: 11:05 a.m.

DAN HARRINGTON, Chair

LOIS O'CONNOR, Secretary

DH/lo

HOUSE OF REPRESENTATIVES

TAXATION COMMITTEE

ROLL CALL DATE 2/8/91 Fri

NAME	PRESENT	ABSENT	EXCUSED
REP. DAN HARRINGTON	✓		
REP. BEN COHEN, VICE-CHAIRMAN	✓		
REP. BOB REAM, VICE-CHAIRMAN	✓		
REP. ED DOLEZAL	✓		
REP. JIM ELLIOTT	✓		
REP. ORVAL ELLISON	✓		
REP. RUSSELL FAGG	✓		
REP. MIKE FOSTER	✓		
REP. BOB GILBERT	✓		
REP. MARIAN HANSON	✓		
REP. DAVID HOFFMAN	✓		
REP. JIM MADISON	✓		
REP. ED MCCAFFREE	✓		
REP. BEA MCCARTHY	✓		
REP. TOM NELSON	✓		
REP. MARK O'KEEFE	✓		
REP. BOB RANEY	✓		
REP. TED SCHYE		✓	
REP. BARRY "SPOOK" STANG	✓		
REP. FRED THOMAS	✓		
REP. DAVE WANZENRIED	✓		

1.00
2-8-91
TDB

HOUSE STANDING COMMITTEE REPORT

February 8, 1991

Mr. Speaker: We, the committee on Taxation report that House Bill 422 (first reading copy -- white) do pass .

Signed: Dan Harrington
Dan Harrington, Chairman

HOUSE OF REPRESENTATIVES
VISITOR'S REGISTER

Taxation COMMITTEE BILL NO. HB 422

DATE 2/8/91 SPONSOR(S) Rep. Hotsenpiller

PLEASE PRINT PLEASE PRINT PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
John Jay Langer	State Tax Appeal Board	✓	
Norma Taylor	"	✓	

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

Opponents' Testimony:

There were no opponents.

Questions From Committee Members:

There were no questions.

Closing by Sponsor:

Rep. Toole closed.

EXECUTIVE ACTION ON HOUSE BILL 193

Recommendation and Vote:

Senator Eck moved HB 193 Be Concurred In.

The motion CARRIED unanimously.

HEARING ON HOUSE BILL 422

Presentation and Opening Statement by Sponsor:

Rep. Hoffman, District 74, sponsor, said the bill was introduced at the request of the State Board of Tax Appeals. It allows for a Board member or a hearings officer to conduct hearings for STAB around the state. Instead of requiring the whole Board to conduct a hearing, one Board member may conduct a hearing or a hearing officer may be hired by the Board to conduct the hearing.

Proponents' Testimony:

John McNaught, Chairman, State Tax Appeals Board, said the bill would allow STAB to speed up the appeal procedures and would provide safeguards against a potential heavy caseload from the pending reappraisal process.

Opponents' Testimony:

There were no opponents.

Questions From Committee Members:

Senator Harp said the fiscal note indicates that attorneys paid as hearings officers will receive $45 an hour. He asked if it is possible to get good attorneys to for that wage.

Mr. McNaught said it is difficult. However, it is unlikely that an attorney would be hired as a hearing officer.

Closing by Sponsor:

Rep. Hoffman closed.

EXECUTIVE ACTION ON HOUSE BILL 422

Recommendation and Vote:

Senator Eck moved HB 422 Be Concurred In.

The motion CARRIED unanimously.

HEARING ON SENATE BILL 446

Presentation and Opening Statement by Sponsor:

Senator Rea, District 38, sponsor presented a series of proposed amendments to committee (Exhibit #1). The bill was introduced at the request of the Montana horse industry and would transfer 3.33% of the net income tax on video gambling machines to the Board of Horseracing for distribution to local fair boards to increase purses for live horseracing.

Proponents' Testimony:

Steve Meloy, Department of Commerce, and as an individual who is a licensed participant in the horseracing industry, presented his testimony is support of the bill (Exhibit #2).

Dave Dennis, thoroughbred breeder and trainer, presented his testimony in support of the bill (Exhibit #3).

Bob Hollow, quarterhorse breeder, trainer, and racer, presented his testimony in support of the bill (Exhibit #4).

ROLL CALL

SENATE TAXATION COMMITTEE

DATE 3/14/91

52nd LEGISLATIVE SESSION

NAME	PRESENT	ABSENT	EXCUSED
SEN. HALLIGAN	X		
SEN. ECK	X		
SEN. BROWN	X		
SEN. DOHERTY	X		
SEN. GAGE	X		
SEN. HARP	X		
SEN. KOEHNKE	X		
SEN. THAYER			
SEN. TOWE	X		
SEN. VAN VALKENBURG	X		
SEN. YELLOWTAIL	X		

Each day attach to minutes.

SENATE STANDING COMMITTEE REPORT

March 14, 1991

MR. PRESIDENT:

We, your committee on Taxation having had under consideration House Bill No. 422 (third reading copy -- blue), respectfully report that House Bill No. 422 be concurred in.

Signed: _____
Mike Halligan, Chairman

LB 3/14/91
Amd. Coord.

3/14/91
Sec. of Senate

5510.USC.SHB